

SWISS INSURED BRAZIL POWER FINANCE S.À R.L.
ANNOUNCES COMMENCEMENT OF CONSENT SOLICITATION IN RELATION TO ITS OUTSTANDING
9.850% SENIOR SECURED NOTES DUE 2032
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March 20, 2023

Swiss Insured Brazil Power Finance S.à r.l. a private limited liability company (*société à responsabilité limitée*), incorporated and existing under Luxembourg law, having its registered office at 16, rue Eugène Ruppert, L – 2453 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B 217648 (the “**Company**”) announced today that it has commenced a solicitation (the “**Consent Solicitation**”) of consents (“**Consents**”) from each registered holder (“**Holder**”) of its outstanding 9.850% Senior Secured Notes due 2032 (the “**Notes**”), issued and outstanding under the indenture (the “**Indenture**”), dated as of April 12, 2018, among the Company, CELSE – Centrais Elétricas de Sergipe S.A., as guarantor (“**CELSE**”), and Citibank, N.A., as trustee (in such capacity, the “**Trustee**”), to permit the Company, as the sole holder of certain debentures issued by CELSE pursuant to an indenture, dated as of March 28, 2018, among CELSE, Pentágono S.A. Distribuidora de Títulos e Valores Mobiliários, as fiduciary agent (the “**Fiduciary Agent**”) and Credit Suisse AG, in its capacities as policyholder and policyholder agent (the “**Policyholder Agent**”), to instruct the Fiduciary Agent to amend (the “**Proposed Amendments**”) certain provisions of (a) the Common Terms Agreement, dated April 12, 2018, among CELSE, Inter-American Investment Corporation (“**IDB Invest**”), International Finance Corporation (“**IFC**”), the Fiduciary Agent, the Policyholder Agent, and Citibank, N.A., as project intercreditor agent, as amended (the “**Common Terms Agreement**”), (b) the Loan Agreement, dated April 12, 2018, among CELSE, IDB Invest, as lender, as agent acting on behalf of the Inter-American Development Bank (“**IDB**”), and as agent acting on behalf of IDB in IDB’s capacity as administrator of the China Co-Financing Fund for Latin America and the Caribbean, as amended (the “**IDB Loan Agreement**”), (c) the Loan Agreement, dated April 12, 2018, among CELSE and IFC, as amended (the “**IFC Loan Agreement**”), (d) the Fiduciary Assignment of Equipment Agreement and Other Covenants, dated March 21, 2018, among CELSE, Banco Citibank S.A. (the “**Collateral Agent**”), and the Fiduciary Agent, as amended (the “**Fiduciary Assignment of Equipment Agreement**”), (e) the Fiduciary Assignment of Real Estate Agreement and Other Covenants, dated April 9, 2018, among CELSE, the Collateral Agent, and the Fiduciary Agent, as amended (the “**Fiduciary Assignment of Real Estate Agreement**”), (f) the Conditional and Fiduciary Assignment Agreement and Other Covenants, dated March 21, 2018, among CELSE, CELSEPAR – Centrais Elétricas de Sergipe S.A. (“**CELSEPAR**”), the Collateral Agent, and the Fiduciary Agent, as amended (the “**Conditional and Fiduciary Assignment Agreement**”), and (g) the Fiduciary Assignment and Conditional Usufruct of Shares Agreement and Other Covenants, dated March 21, 2018, among CELSE, CELSEPAR, the Collateral Agent, Eneva S.A., and the Fiduciary Agent, as amended (the “**Fiduciary Assignment and Conditional Usufruct of Shares Agreement**”).

The Notes are currently listed on the Official List of the Luxembourg Stock Exchange (the “**LuxSE**”) and admitted to trading on the Euro MTF market of the LuxSE.

The Consent Solicitation is being made by means of the Company’s consent solicitation statement, dated March 20, 2023 (the “**Consent Solicitation Statement**”). Holders are referred to the Consent Solicitation Statement for detailed terms and conditions of the Consent Solicitation. The Consent Solicitation will expire at 5:00 p.m. (New York City time) on March 24, 2023 (the “**Expiration Time**”), unless extended or earlier terminated by the Company in its sole discretion. Consents delivered may be validly revoked at any time prior to the earlier to occur of: (i) the time at which the requisite Consents are received and (ii) the Expiration Time.

The ultimate purpose of the Consent Solicitation is to authorize CELSE to enter into agreements (the “**CELSE Consent and Amendment Authorization**”) to amend the benchmark for purposes of determining the interest rate under the Common Terms Agreement, the IFC Loan Agreement and the IDB Loan Agreement from the London Interbank Offered Rate (“**LIBOR**”) to a forward-looking term rate based on the Secured Overnight Financing Rate (“**Term SOFR**”) and make conforming amendments to the Fiduciary Assignment of Equipment Agreement, the Fiduciary Assignment of Real Estate Agreement the Conditional and Fiduciary Assignment Agreement and the Fiduciary Assignment and Conditional Usufruct of Shares Agreement, in each case in advance of the discontinuation of LIBOR on June 30, 2023. For the avoidance of doubt, the current terms of the Notes (including the interest rate) and the Indenture will not change as a result of the Proposed Amendments.

On March 5, 2021, ICE Benchmark Administration announced that all settings of USD LIBOR would be discontinued on June 30, 2023. Under the Common Terms Agreement, the IFC Loan Agreement and the IDB Loan Agreement, the rate of interest for the applicable Senior Facilities (as defined in the Indenture) is determined by reference to LIBOR and the applicable Senior Creditors (as defined in the intercreditor agreement, dated as of April 12, 2018, among, *inter alios*, the Company, the Trustee and Citibank, N.A., as intercreditor agent (the “**Intercreditor Agreement**”)) and CELSE desire to amend such agreements to replace LIBOR with Term SOFR as the benchmark for purposes of the applicable Senior Facilities and make conforming changes to the Senior Debt Financing Documents (as defined in the Intercreditor Agreement) to reflect such benchmark replacement. Consequently, CELSE is seeking to obtain the CELSE Consent and Amendment Authorization for the Proposed Amendments.

Subject to certain conditions, including the receipt of the requisite Consents and the satisfaction of the conditions precedent agreed with the Senior Creditors (as defined in the Intercreditor Agreement) and/or SERV Swiss Export Risk Insurance in connection with the Proposed Amendments, Holders who validly deliver and not validly revoke their Consents at or prior to the Expiration Time pursuant to the terms of the Consent Solicitation Statement will be eligible to receive a consent payment of R\$0.50 per R\$1,000 Original Face Value of the Notes (the “**Consent Payment**”). The originally issued principal amount of the Notes was R\$3,201,500,000 (the “**Original Face Value**”). The Notes have subsequently had principal paydowns to R\$2,815,479,137.50 as of March 15, 2023. As of March 15, 2023, the outstanding principal amount of the Notes is approximately 87.94% of the Original Face Value. The Consent Payment will be calculated using the Original Face Value of the Notes. The Consent Payment is denominated in Brazilian Reais but will settle in U.S. dollars as converted based on the prevailing Reais / U.S. Dollar spot rate at 4:00 p.m. (New York City time) on the Expiration Date of the Consent Solicitation as shown on the Bloomberg “BRLUSD Curncy” screen (provided that if such spot rate is not available on the Bloomberg “BRLUSD Curncy” screen, then the Bloomberg FXIP screen shall be used or such other source as mutually agreed by the Company and the Solicitation Agent).

The Company has engaged Citigroup Global Markets Inc. to act as solicitation agent (the “**Solicitation Agent**”) for the Consent Solicitation. D. F. King & Co., Inc. has been engaged to act as the information and tabulation agent (the “**Information and Tabulation Agent**”) for the Consent Solicitation. Any questions or requests for assistance concerning the terms of the Consent Solicitation may be made to Citigroup Global Markets Inc. at ny.liabilitymanagement@citi.com, +1 (800) 558-3745 (toll free) or +1 (212) 723-6106 (collect). Questions or requests for assistance relating to the procedures for delivering Consents or additional copies of the Consent Solicitation Statement and any related documents may be directed to D.F. King & Co., Inc. at celse@dfking.com, +1 (877) 783-5524 (toll free) or +1 (212) 269-5550 (collect). The Consent Solicitation Statement and other related documents are available electronically at www.dfking.com/celse.

Forward-Looking Statements

The Company cautions you that statements included in this announcement that are not a description of historical facts are forward-looking statements that involve risks, uncertainties, assumptions and other factors which may not materialize or prove correct. These include, among others, statements with respect to the terms and timing for completion of the Consent Solicitation, the receipt of the requisite Consents, and the payment of the consent fee. There can be no assurance that the transactions contemplated in this announcement will be consummated. The Company assumes no obligation to update any forward-looking statement included in this announcement to reflect events or circumstances arising after the date on which it was made.

The Solicitation Agent takes no responsibility for the contents of this announcement. This announcement must be read in conjunction with the Consent Solicitation Statement. This announcement and the Consent Solicitation Statement contain important information which should be read carefully and in its entirety before any decision is made in connection with the Consent Solicitation. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser.

None of the Company, CELSE, the Trustee, the Fiduciary Agent, the Policyholder Agent, the Solicitation Agent, the Information and Tabulation Agent or their respective affiliates, makes any recommendation as to whether or not Holders should deliver Consents. This announcement is for informational purposes only and is not a solicitation of Consents. The Consent Solicitation is only being made pursuant to the Consent Solicitation Statement. The Company reserves the right to waive or modify any term of, or to terminate, the Consent Solicitation, for any reason, prior to the Expiration Time.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any security. The Notes described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws, and they may not be offered or sold in the United States or to U.S. persons absent registration or an applicable exemption from the registration requirements of the Securities Act.